GOVERNMENTAL, SCHOOLS, HOSPITALS AND HEALTH CARE FACILITIES APPLICATION FORM

CRITERIA FOR TECHNICAL AND ECONOMIC FEASIBILITY REVIEW BY THE DEPARTMENT OF WATER RESOURCES – ENERGY DIVISION

TO BE ELIGIBLE, PROJECTS MUST:

- 1. Be conducted within the State of Idaho.
- 2. Be consistent with the State Energy Plan.
- 3. Demonstrate the ability to conserve energy through efficient energy use or the utilization of renewable energy resources, which results in energy savings based upon a net reduction in the use of non-renewable resources.
- 4. Utilize existing, reliable technologies.
- 5. Meet federal and state air and water quality standards.
- 6. Show a simple payback period of 15 years or less for the <u>total</u> cost of the project based on estimated annual energy dollar savings. This may be subject to waiver in unusual circumstances.

PROJECTS MAY:

- 1. Be for existing structures.
- 2. Include energy-efficient lighting systems (luminarer) and occupancy-daylight sensors in new construction. No other measures are eligible for new construction (Exception: the use of renewable resources in new construction may be eligible, depending on the project. A separate criteria sheet, which discusses renewable resource projects are available upon request.)
- 3. Not utilize program funds to take advantage of an interest rate lower than one on an existing permanent loan (no refinancing) nor pay for measure already in progress or completed.

ADDITIONAL LOAN CRITERIA INCLUDE:

- 1. No minimum loan amount.
- 2. The maximum loan amount is \$100,000.
- 3. Interest rate on loans is 4%.
- 4. The applicant must complete the loan application process and begin installation of energy conservation measures or renewable resource projects within 90 days following approval of project by the Department. Failure to do this will result in revocation of the loan and require submission of a new application to the Department.
- 5. Repayment of the loan is 5 years or less.
- 6. Water rights information must be provided for ascertaining legal compliance with water rights requirements, where applicable.
- 7. Applicants must be the direct user/benefitter of projects funded by this program. Projects, which are energy-for-sale or energy-commodity-for-sale projects, are not eligible.
- 8. Changing of fuel sources only if the change results in an increased Btu efficiency, with the exception of the use of renewable resources, which includes solar energy, wind power, water power, geothermal energy and biomass resources. Conversion to the use of

a renewable resource is excluded from the requirement of showing an increase in Btu efficiency.

LOAN APPLICATION PROCESS

- 1. Complete and return application form to the Idaho Department of Water Resources Energy Division, P.O. Box 83720, Boise, ID 83720-0098.
- 2. Department staff will review the project for economic and technical feasibility. Applicants will be notified in writing of projects' approval or denial based on the analysis of economic and technical feasibility.
- 3. Invoices for project (invoice) must match the application project (bid) before funds will be disbursed.
- 4. Wherever possible, and in most cases, a UCC-1 filing will be placed on the items purchased with the loan.
- 5. The Department **will not** subordinate its lien position to any creditor.
- 6. If approved, payment amount and schedule will be calculated and promissory notes and any necessary security agreements will be provided for applicants' signatures.

NOTE: Request a conservation project application form for new or existing building improvements' projects. Request a renewable resource application form if proposing a renewable resource project.

OTHER CHANGES MAY OCCUR AS NECESSARY. Revised and effective November 8, 2004.